Direct Financial Assistance to Panchayats

†487. SHRI PYARELAL KHANDELWAL: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether Government are considering to evolve an action-plan to make Panchayats self-independent;

(b) if so, the details thereof;

(c) whether Government are considering making a plan about providing assistance from their financial resources directly to the panchayats for roads and other developmental works; and

(d) if so, the details thereof?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) and (b) The action plan to enable Panchayats to function as self-governing institutions in accordance with the constitutional mandate consists in effective devolution of functions, funds and functionaries to Panchayati Raj Institutions (PRIs). An agreement on the road map for assignment of activities to each level of Panchayat based on the State Legislation and devolution of funds and functionaries patterned on the activity mapping was reached during the first round table conference of Ministers in charge of Panchayati Raj held in Kolkata on 24-25th July, 2004. The devolution of finances necessitates inclusion of a PRI component in the State budgets, provision of untied funds and steps to encourage PRIs to raise their own resources.

(c) and (d) There is no plan to allocate funds directly to Panchayats. However, one of the goals set by the Government in the National Common Minimum Programme is to ensure that funds going to the Panchayats are neither delayed nor diverted. In pursuance of this goal, a Committee in the Ministry of Panchayati Raj went into this issue in detail and submitted its report in May, 2005. On the basis of the recommendations of this Committee, the Ministry of Panchayati Raj supports the position that financial inflows meant for Panchayats should first flow into the Consolidated Fund of the State Governments, but should then be speedily transferred direct to the Panchayats "without delay or diversion". Releases of funds on the basis of recommendations of the Twelfth Finance Commission and under the BRGF Programme conform to this pattern of fun flow.

Backward Regions Grant Fund

488. SHRI VIJAY J. DARDA: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether it is a fact that 250 districts were short-listed for Backward Regions Grant Fund (Rs. 4,670 crores) to reduce regional imbalances and eradicating poverty and backwardness;

(b) if so, the amount that has been disbursed till October 2007; and

(c) the short-listed districts in Vidarbha where suicides by poor farmers are still happening?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) Yes, Sir.

(b) Releases under the Backward Regions Grant Fund (BRGF) Programme include the balance entitlements of the districts covered under the erstwhile Rashtriya Sam Vikas Yojana (RSVY) Programme which have not yet drawn their full allocation, funds for capacity building of Panchayati Raj Institutions (PRIs) and the untied developmental grant. A total amount of Rs.1034.89 crore had been released till October, 2007, of which Rs.525 crore was released on account of RSVY, Rs.32.3 crore for capacity building of PRIs and Rs.477.59 crore as development grant to various districts. The amount released till 17.11.2007 is Rs.1188.96 crore. The respective releases for the three components at present are Rs.585 crore to RSVY districts, Rs.34.3 crore for capacity building and Rs.569.66 crore as development grant under the BRGF.

†Original notice of the question was received in Hindi.

(c) 12 districts of Maharashtra are covered the Backward Regions Grant Fund (BRGF) Programme. These include the districts of Amravati, Chandrapur, Yavatmal, Bhandara, Gondia and Gadchiroli in the Vidharbha region. The list of districts in Maharashtra along with the releases made so far is placed at Statement (*see* below).

Of the 12 districts under BRGF, 9 districts were covered under the RSVY Programme. These include Bhandara, Chandrapur, Gadchiroli and Gondia. Since none of these districts have completed RSVY, they continue to draw funds for the completion of the scheme. The remaining three districts namely Amravati, Aurangabad and Yavatmal have not sent their BRGF proposals based on the district plans consolidated by the District Planning Committees. The main constraints in respect of Maharashtra are the slow drawal of funds under RSVY and the non-constitution of District Planning Committees in accordance with Article 243 ZD of the Constitution. Rs.30 crore has been released to the districts of Chandrapur, Gadchiroli, Hingoli and Nanded (Rs.7.5 crore each) towards their entitlement under RSVY during 2007-08. An amount of Rs.1.2 crore at the rate of Rs.10 lakh per district has been released to the State Government to secure professional support in order to prepare district plans. An amount of Rs.6.19 crore has been released to Maharashtra during 2006-07 for the capacity building of Panchayati Raj Institutions. During a video conference held on 6.11.2007, it was impressed upon the State Government to expedite the implementation of RSVY in nine districts. The State Government has promised to constitute the District Planning Committees and send the plans for Amravati, Aurangabad and Yavatmal by March, 2008.

Statement

Backward Region Grant Fund Comprehensive District-wise entitlement of Maharashtra, 2007-08

Sl. No.	Districts	RSVY/non RSVY	Total Annual allocation on BRGF for 2007-08 (Rs in crore)	Amount Released under RSVY in 2007-08 (Rs in crore)	Balance amount to be released under RSVY in 2007-08 (Rs in crore)	Released Advance for District Planning in 2007-08 (Rs in crore)
1	2	3	4	5	6	7
1	Ahmednagar	RSVY	30.68	*	22.50	.10
2	Amravati	Non RSVY	24.13			.10
3	Aurangabad	Non RSVY	23.37			.10
4	Bhandara	RSVY	15.16		15.00	.10
5	Chandrapur	RSVY	22.36	7.50	15.00	.10
6	Dhule	RSVY	18.71		22.50	.10
7	Gadchiroli	RSVY	22.02	7.50	7.50	.10
8	Gondia	RSVY	16.40	*	15.00	.10
9	Hingoli	RSVY	15.39	7.50	15.00	.10
10	Nanded	RSVY	23.63	7.50	7.50	.10
11	Nandurbar	RSVY	16.98		22.50	.10
12	Yavatmal	Non RSVY	24.74			.10
	Total:		253.57	30.00	142.50	1.20

Total amount released in 2007-08 is Rs 143.70 Crore (142.50 Crore+1.20 Crore).

*The proposals for release of next instalment are under process.